

AR50

THE
BANK
OF
NOVA
SCOTIA



ANNUAL
STATEMENT
1973

AR50

THE BANK OF NOVA SCOTIA

Thomas A. Boyles
Chairman of the Board
Arthur H. Crockett
Deputy Chairman of the Board
C. E. Ritchie
President and Chief Executive Officer
J. A. G. Bell
Executive Vice-President and
Chief General Manager
G. C. Hitchman
Executive Vice-President
R. M. MacIntosh
Executive Vice-President
W. S. McDonald
Executive Vice-President

The Bank of Nova Scotia has 946 branches and representative offices in Canada, United Kingdom, Republic of Ireland, Continental Europe, Middle East, Far East, United States, Caribbean Area, Mexico, Central and South America.

**Subsidiary and affiliated
banking companies:**

The Bank of Nova Scotia Jamaica Limited
Operating 48 branches in Jamaica.

The Bank of Nova Scotia Trinidad and
Tobago Limited
Operating 16 branches in Trinidad
and Tobago.

The Bank of Nova Scotia Channel Islands
Limited.

The Bank of Nova Scotia N.V., St. Maarten,
Netherlands Antilles

The West India Company of Merchant
Bankers Limited, Kingston, Jamaica.

Bermuda National Bank Limited.

Maduro & Curiel's Bank of N.V., Curacao,
Netherlands Antilles

United International Bank Limited
London, England.

**Subsidiary and affiliated
Trust Company facilities available in:**

Bahamas • Jamaica • Trinidad & Tobago •
Cayman Islands • Barbados • British Virgin
Islands • Bermuda • Netherlands Antilles •
Channel Islands • New York • London

**CORRESPONDENT BANKING FACILITIES
THROUGHOUT THE WORLD**

**THE
BANK
OF
NOVA
SCOTIA**



**SIX MONTH
STATEMENT
APRIL 30, 1973**

Executive Offices

44 KING ST. WEST, TORONTO, CANADA

REPORT TO SHAREHOLDERS

We present a statement of Revenue and Expenses for the six months ended April 30, 1973 with comparative figures for the like period in the preceding year, along with highlights of the Bank's assets and liabilities as at April 30, 1973. Total assets stood at \$9,604 millions, up \$2,058 millions or 27.3% as compared to the April 30, 1972 total. Balance of Revenue for the six month period at \$52,436,825 was \$3,603,048 or 6.4% below the equivalent period last year. Earnings per share, after a provisional transfer to appropriations for losses account and after provision for income taxes were \$1.04, an increase of 5 cents over the equivalent period last year.

The results for the year to date reflect a narrowing of margins between cost of funds and lending rates in most of the markets in which the Bank operates. As well, our salary and related personnel expenses have risen quite significantly. The number of staff employed increased over the previous year due to our expanding operations and this, coupled with higher than normal salary adjustments, is reflected in the growth in this major segment of our expenses.

It is emphasized that figures for interim periods during the fiscal year are not necessarily indicative of the pattern and trend of earnings for a complete year.

C. E. RITCHIE

President and Chief Executive Officer

STATEMENT OF REVENUE AND EXPENSES

(unaudited)	For the Three Months Ended Apr. 30		For the Six Months Ended Apr. 30	
	1973	1972	1973	1972
Revenue				
Income from loans	\$145,729,599	\$105,989,258	\$278,790,702	\$215,824,740
Income from securities	15,125,145	13,976,302	32,013,287	29,554,883
Other operating revenue	14,561,626	11,046,570	26,801,413	23,140,022
Total revenue	175,416,370	131,012,130	337,605,402	268,519,645
Expenses				
Interest on deposits and bank debentures	\$ 99,988,702	\$ 64,246,905	\$185,553,349	\$131,432,797
Salaries, pension contributions and other staff benefits	29,800,100	24,300,889	58,741,699	48,365,248
Property expenses, including depreciation	8,152,958	6,728,510	16,408,261	13,610,497
Other operating expenses, including provision for losses on loans based on five year average loss experience	12,447,597	9,471,356	24,465,268	19,071,230
Total expenses	\$150,389,357	\$104,747,660	\$285,168,577	\$212,479,772
Balance of revenue	\$ 25,027,013	\$ 26,264,470	\$ 52,436,825	\$ 56,039,873
Appropriation for losses (note 2)	9,000,000	11,000,000	18,000,000	24,000,000
Balance of profits before income taxes	\$ 16,027,013	\$ 15,264,470	\$ 34,436,825	\$ 32,039,873
Provision for income taxes relating thereto	7,875,000	7,350,000	16,900,000	15,400,000
Balance of profits for the period	\$ 8,152,013	\$ 7,914,470	\$ 17,536,825	\$ 16,639,873
Dividends	\$ 4,556,250	\$ 4,050,000	\$ 8,775,000	\$ 7,931,250
Dividends per share	27¢	24¢	52¢	47¢

BALANCE SHEET HIGHLIGHTS at at April 30th

(unaudited)	1973	1972	Per Cent Increase
Cash and due from banks	\$2,360,648,951	\$1,426,985,969	65.4%
Securities	999,402,951	987,232,172	1.2%
Loans	5,555,733,794	4,734,639,295	17.3%
Other assets	688,293,218	397,545,758	73.1%
Total assets	\$9,604,078,914	\$7,546,403,194	27.3%
Canadian currency deposits	\$4,839,409,542	\$4,059,892,563	19.2%
Other currency deposits	3,859,811,833	2,712,779,207	42.3%
Total deposits	\$8,699,221,375	\$6,772,671,770	28.4%

NOTE 1: The information contained in this report includes the results of operations of the following wholly owned subsidiaries: The Bank of Nova Scotia Trinidad and Tobago Limited; The Bank of Nova Scotia N.V.; The Bank of Nova Scotia Channel Islands Limited; BNS International (United Kingdom) Limited; BNS International N.V.; BNS International (Bahamas) Limited; and BNS International (Ireland) Limited.

NOTE 2: Final determination of amounts transferred as additions to Accumulated Appropriations for Losses is made at each fiscal year-end. Income taxes exigible on such transfers are chargeable to appropriations account.

THE BANK OF NOVA SCOTIA

Founded in 1832

142ND ANNUAL STATEMENT OCTOBER 31 1973

The Annual General Meeting of
Shareholders will be held in the
Atlantic Room, Hotel Nova Scotian,
Halifax, N.S., on Wednesday,
December 12, 1973, at eleven o'clock a.m.,
for the purpose of receiving
a statement of affairs of
the Bank, for the election of
Directors and for other business.

Executive Offices, 44 King Street West, Toronto 1, Canada

EXECUTIVE OFFICERS TORONTO

Chairman of the Board

T. A. Boyles

Deputy Chairman of the Board

A. H. Crockett

President and Chief Executive Officer

C. E. Ritchie

447-1131
here
no.

Executive Vice-President and Chief General Manager

J. A. G. Bell



Executive Vice-Presidents

G. C. Hitchman

R. M. MacIntosh

W. S. McDonald

THE BANK OF NOVA SCOTIA

ANNUAL STATEMENT HIGHLIGHTS

	1973	1972
TOTAL ASSETS	\$10,327,629,192	\$8,541,820,262
DEPOSITS	\$9,360,149,368	\$7,718,595,610
LOANS	\$5,908,303,711	\$5,121,909,465
ACCUMULATED APPROPRIATIONS FOR LOSSES	\$95,157,874	\$94,615,321
CAPITAL FUNDS	\$438,626,214	\$379,663,528
BALANCE OF REVENUE	\$109,279,186	\$107,373,877
BALANCE OF REVENUE PER SHARE	\$6.48	\$6.36
BALANCE OF REVENUE AFTER PROVISION FOR INCOME TAXES	\$56,779,186	\$57,673,877
BALANCE OF PROFITS FOR THE YEAR	\$35,779,186	\$33,473,877
BALANCE OF PROFITS PER SHARE	\$2.12	\$1.98
DIVIDENDS PAID PER SHARE	\$1.06	\$.97
NUMBER OF SHARES OUTSTANDING	16,875,000	16,875,000
SHAREHOLDERS	16,860	17,016
OFFICES	957	933

BOARD OF DIRECTORS

Thomas A. Boyles, Toronto

Chairman of the Board

Arthur H. Crockett, Toronto

Deputy Chairman of the Board

Cedric E. Ritchie, Toronto

President and Chief Executive Officer

E. Jacques Courtois, Q.C., Montreal

Vice-President, The Bank of Nova Scotia,

Partner, Laing, Weldon, Courtois, Clarkson, Parsons, Gonthier & Tétrault

William C. Harris, Toronto

Vice-President, The Bank of Nova Scotia,

Company Director

Donald McInnes, Q.C., LL.D., D.C.L., Halifax

Vice-President, The Bank of Nova Scotia,

Senior Partner, McInnes, Cooper and Robertson

The Honourable John B. Aird, Q.C., Toronto

Partner, Edison, Aird & Berlis

René Amyot, Q.C., Quebec City

Senior Partner, Amyot, Lesage, DeGrandpré, Colas, Bernard & Drolet

Lewis H. M. Ayre, St. John's, Newfoundland

Chairman and President, Ayre & Sons, Limited

Albert T. Baker, Calgary

President, Glenbow-Alberta Institute

John R. Bradfield, C.C., LL.D., Toronto

Chairman, Noranda Mines Limited

W. Herman Browne, Toronto

Chairman of the Board, Moore Corporation, Limited

Kenneth V. Cox, Saint John, N.B.

President, The New Brunswick Telephone Company, Limited

Gerald H. D. Hobbs, Vancouver

President, Cominco Ltd.

The Right Hon. the Earl of Iveagh, Dublin, Republic of Ireland

Chairman, Arthur Guinness Son & Company Limited

Henry R. Jackman, C.St.J., Q.C., Toronto

Honorary Chairman, The Empire Life Insurance Company

John J. Jodrey, Hantsport, N.S.

President, Minas Basin Pulp and Power Company Limited

Sir Denys Lowson, Bt., London, England

Chairman, Algoma Central Railway

Charles E. MacCulloch, LL.D., Halifax

President, MacCulloch & Co. Limited

A. Barnet Maclaren, Ottawa

Director, Maclaren Power & Paper Company

Jerry McAfee, Toronto

President and Chief Executive Officer, Gulf Oil Canada Limited

Malcolm H. D. McAlpine, London, England

Director, Sir Robert McAlpine & Sons Limited

H. Harrison McCain, Florenceville, N.B.
Chairman of the Board, McCain Foods Limited

John L. McCarthy, Toronto
Vice-President, The Canada Life Assurance Company

Allan M. McGavin, Vancouver
Chairman of the Board, McGavin ToastMaster Limited

William S. McGregor, Edmonton
President and Managing Director, Numac Oil & Gas Ltd.

Cyrus H. McLean, Vancouver
Company Director

David E. Mitchell, Calgary
President and Chief Executive Officer,
Great Plains Development Company of Canada, Ltd.

Sir Brian Mountain, Bt., London, England
Chairman, Eagle Star Insurance Company Ltd.

Robert L. Pierce, Q.C., Calgary
Senior Vice-President, The Alberta Gas Trunk Line Company Limited

John S. Proctor, Toronto
Company Director

W. Harold Rea, LL.D., F.C.A., Toronto
Chairman of the Board, Great Canadian Oil Sands Limited

Frank H. Sherman, Hamilton
President and Chief Executive Officer, Dominion Foundries and Steel, Limited

C. Gordon Smith, LL.D., Winnipeg
President, Oldgard Limited

Donald G. Willmot, Toronto
Deputy Chairman of the Board, The Molson Companies Limited

HONORARY DIRECTORS

Honorary Directors neither attend Meetings
of the Board, nor receive remuneration.

Ralph P. Bell, O.C., O.B.E., B.A., D.C.L., Halifax
President, Pickard Investments Limited

Robert L. Dales, Toronto
Former Deputy Chairman of the Board and Executive Vice-President,
The Bank of Nova Scotia

Colonel John D. Fraser, V.D., C.D., Pembroke, Ontario
Vice-President, Snelling Paper Sales Limited

C. Sydney Frost, M.C., LL.D., D.C.L., Toronto
Former President and Chief Executive Officer, The Bank of Nova Scotia

The Honourable Salter A. Hayden, Q.C., M.A., LL.D., Toronto
Senior Partner, McCarthy & McCarthy

The Honourable Norman A. M. MacKenzie, C.C., C.M.G., M.M. AND BAR,
C.D., Q.C., LL.D., Vancouver
President Emeritus and Honorary Professor of International Law
The University of British Columbia

William H. C. Schwartz, Halifax
Chairman of the Board, W. H. Schwartz & Sons Ltd.

Charles N. Wilson, Saint John, N.B.
President, The Standard Dredging Co. Limited

The Bank of Nova Scotia
**STATEMENT OF ASSETS
 AND LIABILITIES**

as at October 31

ASSETS	1973	1972
Cash and due from banks	\$2,761,509,161	\$1,816,737,080
Cheques and other items in transit, net	84,620,790	69,917,243
Total Cash Resources	2,846,129,951	1,886,654,323
Securities issued or guaranteed by Canada, at amortized value	652,812,223	675,870,859
Securities issued or guaranteed by provinces, at amortized value	55,852,324	56,907,652
Other securities, not exceeding market value	323,248,932	344,516,140
Total Securities	1,031,913,479	1,077,294,651
Day, call and short loans to investment dealers and brokers, secured	273,664,950	389,484,459
Other loans, including mortgages, less provision for losses	5,634,638,761	4,732,425,006
Total Loans	5,908,303,711	5,121,909,465
Bank premises at cost, less amounts written off	70,148,837	64,609,685
Securities of and loans to corporations controlled by the bank	37,678,087	45,055,082
Customers' liability under acceptances, guarantees and letters of credit, as per contra	413,706,050	326,291,385
Other assets	19,749,077	20,005,671
	\$10,327,629,192	\$8,541,820,262

**AUDITORS' REPORT
 TO THE SHAREHOLDERS OF THE BANK OF NOVA SCOTIA**

We have examined the statement of assets and liabilities of The Bank of Nova Scotia as at October 31, 1973, and the statements of revenue, expenses and undivided profits, accumulated appropriations for losses and rest account for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the foregoing statements present fairly the financial position of the Bank as at October 31, 1973, and the revenue, expenses and undivided profits, accumulated appropriations for losses and rest account for the year ended on that date.

D. L. GORDON, F.C.A., of Clarkson, Gordon & Co. W. H. BROADHURST, F.C.A., of Price Waterhouse & Co.	}	Auditors
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Toronto, Canada,
 November 20, 1973

LIABILITIES	1973	1972
Deposits by Canada	\$ 193,961,880	\$ 58,198,541
Deposits by provinces	132,829,994	212,558,088
Deposits by banks	1,928,105,625	1,597,622,612
Personal savings deposits payable after notice, in Canada, in Canadian currency	2,834,330,154	2,417,102,222
Other deposits	4,270,921,715	3,433,114,147
Total Deposits	9,360,149,368	7,718,595,610
Acceptances, guarantees and letters of credit	413,706,050	326,291,385
Other liabilities	19,989,686	22,654,418
Accumulated appropriations for losses	95,157,874	94,615,321
Capital Funds		
Debentures issued and outstanding (Note 2)	118,421,000	89,350,000
SHAREHOLDERS' EQUITY:		
CAPITAL STOCK—AUTHORIZED 25,000,000		
SHARES AT \$2 PER SHARE		
Capital paid up	33,750,000	33,750,000
Rest account	285,000,000	255,000,000
Undivided profits	1,455,214	1,563,528
TOTAL SHAREHOLDERS' EQUITY	320,205,214	290,313,528
Total Capital Funds	438,626,214	379,663,528
	\$10,327,629,192	\$8,541,820,262

C. E. RITCHIE
President and Chief Executive Officer

J. A. G. BELL
Executive Vice-President and Chief General Manager

The Bank of Nova Scotia

STATEMENT OF REVENUE, EXPENSES AND UNDIVIDED PROFITS

for the financial year ended October 31

	1973	1972
Revenue		
Income from loans	\$646,665,614	\$451,783,737
Income from securities	66,763,640	59,274,636
Other operating revenue	57,527,528	47,128,095
Total revenue	770,956,782	558,186,468
Expenses		
Interest on deposits and bank debentures	446,375,640	280,208,434
Salaries, pension contributions and other staff benefits	126,537,628	100,819,886
Property expenses, including depreciation	35,065,377	27,345,909
Other operating expenses, including provision for losses on loans based on five-year average loss experience	53,698,951	42,438,362
Total expenses	661,677,596	450,812,591
Balance of revenue	109,279,186	107,373,877
Provision for income taxes relating thereto (Note 3)	52,500,000	49,700,000
Balance of revenue after provision for income taxes	56,779,186	57,673,877
Appropriation for losses (Note 4)	21,000,000	24,200,000
Balance of profits for the year	35,779,186	33,473,877
Dividends	17,887,500	16,368,750
Amount carried forward	17,891,686	17,105,127
Undivided profits at beginning of year	1,563,528	1,458,401
Transfer from accumulated appropriations for losses	12,000,000	23,000,000
	31,455,214	41,563,528
Transferred to rest account	30,000,000	40,000,000
Undivided profits at end of year	\$ 1,455,214	\$ 1,563,528

The Bank of Nova Scotia

STATEMENT OF REST ACCOUNT

for the financial year ended October 31

	1973	1972
Balance at beginning of year	\$255,000,000	\$215,000,000
Transferred from undivided profits	30,000,000	40,000,000
Balance at end of year	\$285,000,000	\$255,000,000

The Bank of Nova Scotia

STATEMENT OF ACCUMULATED APPROPRIATIONS FOR LOSSES

for the financial year ended October 31

	1973	1972
Accumulated appropriations at beginning of year:		
General	\$ 69,115,599	\$ 72,137,659
Tax paid	25,499,722	22,833,008
Total	94,615,321	94,970,667
Additions (deductions) during year:		
Appropriation from current year's operations (Note 4)	21,000,000	24,200,000
Loss experience on loans less provision included in other operating expenses	(336,704)	(833,565)
Profits and losses on securities, including provisions to reduce securities other than those of Canada and provinces to values not exceeding market	(8,150,182)	(628,936)
Other profits, losses and non-recurring items, net	629,439	7,155
Provision for income taxes, including credit of nil (1972-nil) related to appropriation from current year's operations (Note 3)	(600,000)	(100,000)
	107,157,874	117,615,321
Transfer to undivided profits	(12,000,000)	(23,000,000)
Accumulated appropriations at end of year:		
General	60,068,943	69,115,599
Tax paid	35,088,931	25,499,722
Total	\$ 95,157,874	\$ 94,615,321

NOTES TO THE FINANCIAL STATEMENTS

1. The financial statements include the assets and liabilities and results of operations of the following wholly owned subsidiaries: The Bank of Nova Scotia N. V.; BNS International (United Kingdom) Limited; BNS International N. V.; BNS International (Bahamas) Limited; BNS International (Ireland) Limited; BNS International (Hong Kong) Limited; The Bank of Nova Scotia Channel Islands Limited and its wholly owned subsidiary The Bank of Nova Scotia Trust Company Channel Islands Limited.

2. Debentures issued and outstanding at October 31:

	1973	1972
7% October 15, 1987	\$13,421,000	\$14,350,000
7% April 15, 1991 (maturity on October 15, 1977 at the option of the holder)	25,000,000	25,000,000
6¼ % - 7% January 1, 1992 (maturity on July 1, 1978 at the option of the holder)	50,000,000	50,000,000
7½ % January 1, 1988 (maturity on July 1, 1979 at the option of the holder)	30,000,000	—
	<u>\$118,421,000</u>	<u>\$89,350,000</u>

3. Provision for income taxes shown in:

	1973	1972
Statement of Revenue and Expenses	\$52,500,000	\$49,700,000
Statement of Accumulated Appropriations for Losses	600,000	100,000
Total provision for income taxes	<u>\$53,100,000</u>	<u>\$49,800,000</u>

4. During 1973 the form of presentation of financial statements required by the provisions of the Bank Act was amended. Previously, the transfer to appropriations for losses in the Statement of Revenue, Expenses and Undivided Profits was made from balance of revenue before provision for income taxes, and income taxes relating to the appropriation were included in the Statement of Accumulated Appropriations for Losses. The transfer to appropriations for losses is now made from the balance of revenue after provision for income taxes. The 1972 figures have been reclassified on a comparable basis.

Controlled Corporations
of The Bank of Nova Scotia

The Bank of Nova Scotia Jamaica Limited

and its wholly owned subsidiary

The Bank of Nova Scotia Trust Company of Jamaica Limited

Consolidated Statement of Assets and Liabilities as at October 31, 1973

Balances expressed in Jamaican Dollars

(Canadian equivalent \$1.1012)

ASSETS

Cash, money at call and deposits with the Bank of Jamaica	J\$ 13,185,819
Cheques and other instruments in the course of collection	16,314,835
Amounts due by other banks	3,158,351
Government of Jamaica securities at cost	20,875,365
Other investments at cost	905,379
Loans, less provision for losses	176,926,220
Customers' liability under acceptances, guarantees and letters of credit, as per contra	16,115,435
Bank premises at cost, less depreciation	8,578,292
Shares of The West India Company of Merchant Bankers Limited at cost	100,000
Other assets	196,157
	J\$256,355,853

LIABILITIES

Deposits	J\$202,952,282
Amounts due to other banks	9,811,574
Cheques and other instruments in the course of payment	12,702,628
Acceptances, guarantees and letters of credit	16,115,435
Proposed dividend	656,250
Other liabilities	1,263,754
Capital and Surplus:	
Capital—authorized, issued and fully paid 6,000,000 ordinary stock units of J\$1 each	J\$6,000,000
General reserve	6,500,000
Unappropriated profits	353,930
	12,853,930
	J\$256,355,853

NOTE:

The Bank of Nova Scotia Jamaica Limited was incorporated in December, 1966, to acquire the Jamaican banking business and undertakings of The Bank of Nova Scotia. The capital stock is 70% owned by The Bank of Nova Scotia and is carried on the books of the Bank at the amount of Canadian \$6,165,060. The amounts due to other banks include J\$2,346,397 due to The Bank of Nova Scotia.

Controlled Corporations
of The Bank of Nova Scotia

The Bank of Nova Scotia Trinidad and Tobago Limited

Statement of Assets and Liabilities as at October 31, 1973

Balances expressed in TT Dollars

(Canadian equivalent \$.5078)

ASSETS

Cash, money at call and deposits with Central Bank of Trinidad and Tobago	TT\$ 12,013,390
Cheques and other instruments in the course of collection	4,728,784
Amounts due by other banks	1,172,456
Government of Trinidad and Tobago securities at cost	6,495,726
Other investments at cost	12,501
Loans, less provision for losses	118,419,997
Customers' liability under acceptances, guarantees and letters of credit, as per contra	9,333,881
Bank premises at cost, less depreciation	5,901,257
Other assets	116,709
	<u>TT\$158,194,701</u>

LIABILITIES

Deposits	TT\$129,786,767
Amounts due to other banks	4,826,592
Cheques and other instruments in the course of payment	3,842,972
Acceptances, guarantees and letters of credit	9,333,881
Proposed dividend	260,000
Other liabilities	2,082,654
Capital and Surplus:	
Capital Stock—authorized 10,000,000 shares of TT \$1 each	
Issued and fully paid 6,500,000 shares	TT\$ 6,500,000
Paid in surplus	500,000
General reserve	288,184
Unappropriated profits	773,651
	<u>8,061,835</u>
	<u>TT\$158,194,701</u>

NOTE:

The Bank of Nova Scotia Trinidad and Tobago Limited acquired on May 1, 1972, the banking business and undertakings of The Bank of Nova Scotia in Trinidad and Tobago in exchange for all of the outstanding 6,000,000 common shares of the Company. In August, 1973, there was a public offering of 1,500,000 shares of The Bank of Nova Scotia Trinidad and Tobago Limited at TT\$2 per share. The Bank of Nova Scotia sold 1,000,000 shares and The Bank of Nova Scotia Trinidad and Tobago Limited issued 500,000 treasury shares. The Bank of Nova Scotia now owns 5,000,000 common shares (77%) which are carried on the Bank's books at the amount of Canadian \$3,033,014. At October 31, 1973, The Bank of Nova Scotia Trinidad and Tobago Limited had a net indebtedness to The Bank of Nova Scotia of TT \$2,163,275.

Controlled Corporations
of The Bank of Nova Scotia

The West India Company of Merchant Bankers Limited

Statement of Assets and Liabilities as at October 31, 1973

Balances expressed in Jamaican Dollars

(Canadian equivalent \$1.1012)

ASSETS		
Cash and amounts due by other banks	J\$	50,871
Fixed term deposit with The Bank of Nova Scotia Jamaica Limited		1,212,207
Loans		754,418
Investments at cost		48,848
Customers' liability under guarantees, as per contra		1,119,000
Furniture, fixtures and equipment at cost, less depreciation		6,643
Other assets		27,192
		<u>J\$3,219,179</u>
LIABILITIES		
Deposits	J\$	1,745,133
Guarantees outstanding		1,119,000
Proposed dividend		7,500
Other liabilities		800
Capital and Surplus:		
Capital stock—authorized and fully paid up, 300,000 shares of J\$1 each	J\$300,000	
Unappropriated profits	46,746	346,746
		<u>J\$3,219,179</u>

NOTE:

The West India Company of Merchant Bankers Limited provides investment banking services in Jamaica. The capital stock is two-thirds owned by The Bank of Nova Scotia and is carried on the books of the Bank at the amount of Canadian \$257,685. The Bank of Nova Scotia Jamaica Limited owns the remaining shares.

Controlled Corporations
of The Bank of Nova Scotia

The Bank of Nova Scotia Trust Company (Bahamas) Limited
and its wholly owned subsidiaries

The Bank of Nova Scotia Trust Company of the West Indies Limited

The Bank of Nova Scotia Trust Company (Cayman) Limited

The Bank of Nova Scotia Trust Company (Caribbean) Limited

Consolidated Statement of Assets and Liabilities as at December 31, 1972

Balances expressed in Bahamas dollars

(Canadian equivalent \$1.0248)

ASSETS		
Cash in bank		B\$30,045,351
United Kingdom Government securities at amortized value, plus accrued interest		1,171,651
Canadian Government securities at amortized value, plus accrued interest		256,690
Barbados Government and Jamaican Government securities at amortized value, plus accrued interest		290,281
Other investments at the lower of cost or estimated realizable value		308,412
Loans and discounts		10,384,875
Customers' liability under guarantees and other obligations, as per contra		1,266,476
Furniture, fixtures and equipment at cost, less depreciation		94,606
		B\$43,818,342
LIABILITIES		
Deposits, trusts and other balances		B\$39,884,331
Guarantees and other obligations		1,266,476
Dividend payable		315,000
Other liabilities		70,412
Capital and Surplus:		
Capital stock—authorized 3,000,000 shares of B\$1 each		
Issued 2,250,000 shares	B\$2,250,000	
Earned surplus	32,123	2,282,123
		B\$43,818,342

NOTE:

The Bank of Nova Scotia Trust Company (Bahamas) Limited provides a full range of personal and corporate trust services. The capital stock is 60% owned by The Bank of Nova Scotia and is carried on the books of the Bank at the amount of Canadian \$1,392,786.

Controlled Corporations
of The Bank of Nova Scotia

The Bank of Nova Scotia Trust Company of New York

Statement of Assets and Liabilities as at October 31, 1973

Balances expressed in United States dollars

(Canadian equivalent \$.9994)

ASSETS

Cash and amounts due by other banks	US\$1,649,520
Investment bonds at amortized value, plus accrued interest	- 2,680,571
Furniture, fixtures and equipment at cost, less depreciation	8,681
Other assets	2,429
	US\$4,341,201

LIABILITIES

Deposits, trusts and other balances	US\$2,175,205
Income taxes payable	56,349
Other liabilities	7,813
Capital and Surplus:	
Capital stock—authorized and issued 10,000 shares of a par value of \$100 each	US\$1,000,000
Paid in surplus	1,000,000
Undivided profits	101,834
	2,101,834
	US\$4,341,201

NOTE:

The Bank of Nova Scotia Trust Company of New York provides fiduciary services. The capital stock, except for the Directors' qualifying shares, is wholly owned by The Bank of Nova Scotia and is carried on the books of the Bank at the amount of U.S. \$1,986,000.

The Bank of Nova Scotia Trust Company (United Kingdom) Limited

Statement of Assets and Liabilities as at October 31, 1973

Balances expressed in Pounds sterling

(Canadian equivalent \$2.44)

ASSETS

Cash in bank	£950,000
Loans	3,565,120
United Kingdom Government securities at cost	100,000
Other assets	1,004
	£4,616,124

LIABILITIES

Loan from The Bank of Nova Scotia	£875,020
Deposits, trusts and other accounts	3,619,332
Other liabilities	9,697
Capital and Surplus:	
Capital stock—authorized 250,000 ordinary shares of £1 each	
Issued 100,000 shares	£100,000
Earned surplus	12,075
	112,075
	£4,616,124

NOTE:

The Bank of Nova Scotia Trust Company (United Kingdom) Limited provides fiduciary services. The capital stock is wholly owned by The Bank of Nova Scotia and is carried on the books of the Bank at the amount of Canadian \$260,000.

Controlled Corporations
of The Bank of Nova Scotia

Empire Realty Company, Limited

Statement of Assets and Liabilities as at October 31, 1973

ASSETS

Current Assets

Cash in bank	\$ 557,746	
Accounts receivable	3,158	
Prepaid expenses	7,797	\$ 568,701

Joint Ventures, at cost

Investment in shares	775,000	
Land leased to joint venture	4,007,986	4,782,986

Fixed Assets

Land and buildings at cost	26,797,550	
Less accumulated depreciation	12,743,282	14,054,268
		<u>\$19,405,955</u>

LIABILITIES

Current Liabilities

Accrued liabilities and rentals paid in advance	\$ 25,788	
Serial bonds due November 1, 1973	500,000	
Bond interest due November 1, 1973	11,250	
Corporation taxes payable	7,856	\$ 544,894

Loan from The Bank of Nova Scotia

13,850,443

Capital and Surplus:

Capital stock—authorized, issued and fully paid, 50,000 shares of a par value of \$100 each	\$ 5,000,000	
Retained earnings	10,618	5,010,618
		<u>\$19,405,955</u>

NOTES:

1. Empire Realty Company, Limited owns the Bank's General Office buildings in Toronto and is also participating, through corporate joint ventures, in the development of office buildings, part of which will be occupied by the Bank. Commitments in respect to these projects aggregate \$25,000,000 of which the company's share is \$12,500,000.

2. The capital stock is wholly owned by The Bank of Nova Scotia and is carried on the books of the Bank at the amount of \$5,000,000. The Bank also owns \$75,000 of the serial bonds.

AUDITORS' REPORT

TO THE SHAREHOLDERS OF THE BANK OF NOVA SCOTIA

We have examined the statements of assets and liabilities of the foregoing controlled corporations as of the dates indicated. Our examinations included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances. In our opinion the accompanying statements of assets and liabilities present fairly the financial positions of the corporations as at the dates indicated.

D. L. GORDON, F.C.A.,
of Clarkson, Gordon & Co.
W. H. BROADHURST, F.C.A.,
of Price Waterhouse & Co.

} Auditors

Toronto, Canada,
November 20, 1973

$$\begin{array}{r} 59,670 \\ 57,674 \\ \hline 1,996 \end{array}$$

$$\begin{array}{r} 56,779 \\ 56,752 \\ \hline 27 \end{array}$$

Scotia  BANK
THE BANK OF NOVA SCOTIA

AN INTERNATIONAL BANK FOUNDED IN 1832

